Statement of:

Rep. Phil Roe, MD Member of Congress (TN-01)

Before the Veterans Affairs' Subcommittee on Oversight & Investigation Re: H.R. 3831, The Veterans Dialysis Pilot Program Review Act

March 27, 2014

Mr. Chairman, it is my pleasure to present H.R. 3831, the Veterans Dialysis Pilot Program Review Act, to my colleagues on this subcommittee. This bill would prevent the Veterans Health Administration (VHA) from rolling out new in-house dialyses centers until an independent review of the VHA Dialysis Pilot Program has been completed.

In 2009, the Secretary of Veterans Affairs launched the VHA Dialysis Pilot Program, creating four test sites at outpatient VA clinics to see if quality dialysis treatment could be delivered to veterans in house at a lower cost than contracting care out to commercial dialysis treatment centers. A 2012 GAO report, which I ask to be inserted into the record, shows that the early implementation of the Dialysis Pilot Program has shown many weaknesses, including erroneous cost estimation practices and cost savings calculations. The Department of Veterans Affairs (VA), however, is moving to expand the in-house dialysis program nationally—before a review of the pilot has been performed. In fact, VA is still contracting for an independent analysis of how well it is working.

H.R. 3831 would simply direct the Secretary of Veterans Affairs to halt the establishment of any new VA dialysis clinics until each of the four original pilot sites has been operating for two years, an independent analysis of the sites is conducted, and a full report has been submitted to Congress. The intent of this bill is to ensure that we find out if this pilot program is in the best interest of veterans and taxpayers before the VA rolls out the program nationally.

I would like to thank the witnesses for coming before us today and I look forward to their testimony.